



WINE AND SPIRITS WHOLESALERS OF CONNECTICUT, INC.

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February 19, 2015

TESTIMONY OF WINE AND SPIRITS WHOLESALERS OF CONNECTICUT

RE: Proposed HB Bill 6078 An Act Allowing Microbreweries to Sell Kegs of Beer To Consumers.

The members of the Wine and Spirits Wholesalers of Connecticut has two questions and one comment with respect to this proposal. First the term "microbrewery" is not defined within Title 30 of the Connecticut General Statutes and therefore it is unclear as to whom this provision it intended to apply. Secondly, the term "keg" is similarly undefined and it is unclear as to what is intended by that term as "kegs" can refer to containers of various sizes.

The WSWC suggests that in order to avoid future legal challenges under Granholm¹, if the Committee decides to move forward with this proposal, it should impose the same restrictions applicable to out-of-state manufacturers – limiting sales to five gallons every sixty days as is permitted under CGS § 12-436.

Who is the WSWC? The Wine & Spirits Wholesalers of Connecticut, Inc. was established in 1964 and since that date has been the trade association representing wine and spirits wholesalers in Connecticut. The WSWC membership totals 53 and its members distribute the vast majority of wines and spirits sold in the state of Connecticut. The members of the WSWC span a diversity of size from very large to very small, but all are family owned businesses. Individually, they employ as many as 230 employees and as few as a one person working part-time. Collectively, they are a significant and integral part of Connecticut's economy. The members of the WSWC:

- contribute in excess of \$200 million dollars in direct and in-direct benefits to the state's economy;
- provide in excess of 1,700 direct jobs to Connecticut residents;
- Pay in excess of \$167 million dollars in wages;
- pay in excess of \$60.2 million dollars in state excise taxes;²
- promote, market, sell, warehouse and deliver nearly 36,000 different brands; and
- assist the Department of Revenue Services in the collection of Sales and Use Taxes, in excess of \$141 Million Dollars annually³.

¹ Granholm v. Heald, 544 U.S. 460 (2005). This case held that under the dormant commerce clause that a state can not discriminate against products produced outside its borders.

² FYE June 30, 2014.

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The members of the WSWC are committed to ensuring that the best possible safeguards to prevent the sale of beverage alcohol to minors are in place and adults of legal drinking age consume beverage alcohol responsibly, while at the same time providing an efficient method of distribution which provides access to a wide variety of quality wine and spirits from all over the world.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "P. A. Bordon", written over a horizontal line.

Peter A. Bordon,
Executive Director/General Counsel